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ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

RECORDATION NO. 19041-I FILED
AUG 20 '04
3-35 PM
SURFACE TRANSPORTATION BOARD

OF COUNSEL
URBAN A. LESTER

August 17, 2004

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Re: NYC – ET1997

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are four (4) copies of a Memorandum of Sublease and Assignment, dated August 12, 2004, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the documents previously filed with the Board/Commission under Recordation Number 19041-B.

The names and addresses of the parties to the enclosed document are:

Sublessor/ Assignor:	Consolidated Rail Corporation 1000 Howard Boulevard Fourth Floor Mt. Laurel, NJ 08054
Sublessee:	NYC Newco, Inc. 500 Water Street Jacksonville, FL 32202
Guarantor:	CSX Transportation, Inc. 500 Water Street Jacksonville, FL 32202
[Senior Lessor/ Assignee:	Wilmington Trust Company]

Mr. Vernon A. Williams
August 17, 2004
Page Two

A description of the railroad equipment covered by the enclosed document is:

8 locomotives within the series CSXT 7390 – CSXT 7397.

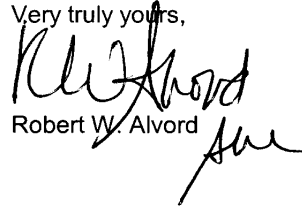
A short summary of the document to appear in the index follows:

Memorandum of Sublease and Assignment

Also enclosed is a check in the amount of \$30.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read "Robert W. Alvord", with a stylized flourish extending from the bottom right.

Robert W. Alvord

RWA/anm
Enclosures

AUG 20 '04

3-35 PM

SURFACE TRANSPORTATION BOARD

MEMORANDUM OF SUBLEASE AND ASSIGNMENT NYC-ET1997, by

CONSOLIDATED RAIL CORPORATION ("**Conrail**")
1000 Howard Boulevard, Fourth Floor
Mt. Laurel, New Jersey 08054

NYC NEWCO, INC. (the "**Company**")
500 Water Street
Jacksonville, Florida 32202

and

CSX TRANSPORTATION, INC. (the "**Railroad**")
500 Water Street
Jacksonville, Florida 32202.

Conrail is leasing certain units of railroad equipment pursuant to the agreement identified in Schedule A hereto as the "**Senior Lease**" with the party named in Schedule A hereto as the "**Senior Lessor**," which agreement was recorded with the Surface Transportation Board and assigned the recordation number shown on said Schedule A.

The parties hereto hereby wish to evidence for the public record the following transactions with respect to such units of the railroad equipment covered by the above-named agreements as are listed in Schedule B hereto:

1. The Sublease of Railroad Equipment NYC-ET1997 between Conrail, sublessor, and the Company, sublessee.
2. The assumption of the obligations of the Company as sublessee under the above-named sublease by the Railroad, pursuant to the Assumption Agreement NYC-ET1997 by the Railroad in favor of Conrail.
3. The assignment by Conrail, assignor, of the sublease named in item 1 to the Senior Lessor, assignee, as security for Conrail's obligations under the Senior Lease, pursuant to the Assignment of Sublease NYC-ET1997 by Conrail in favor of the Senior Lessor.
4. The assignment by the Railroad, assignor, of its subleasehold interest under sublease named in item 1 to Norfolk Southern Railway Company, assignee, pursuant to the Cross-Assignment of Lease and Agreement among such parties and Conrail, as security for the Railroad's obligations for reimbursement thereunder.

IN WITNESS WHEREOF, the parties hereto have each caused
this memorandum to be duly executed by their respective officers
thereunto duly authorized:

CONSOLIDATED RAIL CORPORATION

by *J. M. B.*.....

NYC NEWCO, INC

by *Lucian H. Becker*.....

CSX TRANSPORTATION, INC.

by *Lucian H. Becker*.....

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

On this August day of August, 2004, before me personally appeared Jonathan M. Broder, to me personally known, who, by me being duly sworn, says that he is Vice President of CONSOLIDATED RAIL CORPORATION, and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

MAURICE I. MICHAANE
NOTARY PUBLIC, State of New York
No. 01M16101194
Qualified in New York County
Commission Expires Nov. 10, 2007

.....
Notary Public

My commission expires

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

On this 12th day of August, 2004, before me personally appeared Louis G. Rechee, to me personally known, who, by me being duly sworn, says that he is Authorized Signatory of NYC NEWCO, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....
Notary Public

My commission expires

STATE OF NEW YORK)
)
COUNTY OF NEW YORK)

SS.:

On this 12th day of August, 2004, before me personally appeared Louis G. Rechee, to me personally known, who, by me being duly sworn, says that he is Authorized Signatory of CSX TRANSPORTATION, INC., and that the foregoing instrument was signed on behalf of said corporation by authority of its board of directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

.....
Notary Public

My commission expires

ANNA D'AMICO
NOTARY PUBLIC, State of New York
No. 01DA6097883
Qualified in New York County
Commission Expires Sept. 2, 2007

ANNA D'AMICO
NOTARY PUBLIC, State of New York
No. 01DA6097883
Qualified in New York County
Commission Expires Sept. 2, 2007

SCHEDULE A
SENIOR TRANSACTION ET1997

Senior Lease:

Equipment Trust Agreement dated as of October 15, 1994, among
Wilmington Trust Company, Locomotive Management Services, and
Consolidated Rail Corporation,

recorded with the Surface Transportation Board on
November 2, 1994, and assigned recordation number 19041,

as supplemented by Equipment Trust Agreement Supplement No. 1
dated as of January 1, 1997,

recorded with the Surface Transportation Board on May 1,
1997, and assigned recordation number 19041-B.

Senior Lessor:

Wilmington Trust Company, as trustee

Schedule "B" Equipment
ETC197 NYC

Count	Description	Original		Current	
		Unit Initial	Unit Number	Unit Initial	Unit Number
1	C40-8W	CR	6267	CSXT	7390
2	C40-8W	CR	6270	CSXT	7391
3	C40-8W	CR	6272	CSXT	7392
4	C40-8W	CR	6275	CSXT	7393
5	C40-8W	CR	6277	CSXT	7394
6	C40-8W	CR	6280	CSXT	7395
7	C40-8W	CR	6282	CSXT	7396
8	C40-8W	CR	6284	CSXT	7397
8 total C40-8W Locomotives					